

The following are Superintendent Luna's prepared remarks to the Meridian Chamber of Commerce on October 1, 2013.

Over the past three years, Idaho has had a very public, open, transparent conversation about public education: what's good about our current public education system, what needs improvement, and by far the most difficult: how do we make those improvements? How do we implement them?

We all know that in Idaho we are blessed with good schools. We see evidence of it every day.

- 59% of schools received a 4- or 5-Star Rating this year.
- We had more 5-Star schools and fewer 1-Star schools this year.

And our students are achieving the goals we have set for them.

Last school year:

- 90% of Idaho students met or exceeded our standards in reading.
- Over 80% of students met our standards in mathematics.
- And 9 out of 10 Idaho students graduate from high school.

In fact, Idaho has one of the highest high school graduation rates in the country.

So as we praise our successes and give due credit to our hard working teachers, dedicated parents and talented students, we must also recognize that there is room for improvement.

In fact, improvement is essential / critical.

Because you see, while 89% of Idaho's students graduate from high school, just 46% go on to some form of postsecondary education.

Of those who go on, almost half need remediation once they get there, and 38% of students do not return for their second year.

While we recognize the accomplishments our children or grandchildren have made in the K-12 system, we have to ask ourselves why – if they did so well in K-12 – are they struggling now that they have graduated?

Why is my child, who just walked across that stage and received a high school diploma three months ago, now taking remedial math and English in college or struggling to meet the demands of his/her employer?

We have all been asking ourselves these questions and wanting to know what the answers are for some time.

Now I reject the notion that somehow it's inconsistent or hypocritical to praise the good things happening in our schools and at the same time identify areas that must be improved.

I call that continuous improvement. I believe continuous improvement is essential to the success of every great school or any organization.

So I am here to talk with you today about how we take a good education system and make it a great one. I truly believe that in today's world a good education is not going to cut it anymore. Our children need and deserve a great education.

Specifically, I am going to lay out for you the recommendations of the recent Task Force for Improving Education.

I think we need to start with recognizing that we have this education grave yard full of reports and recommendations from education roundtables, task forces and blue ribbon committees spanning the decades—the most recent just a few years ago in 2007. They met for months – some even years. Most had a mandate from the Governor at the time.

All tried to address many of the same issues that we face today: increasing student achievement, low teacher pay, equal opportunities for all Idaho students no matter where they live. They were sincere, committed and worked hard. They all had give and take. They conducted research and developed well thought-out recommendations. But nothing much ever came of these recommendations.

They may have appeared in a newspaper article here or there, but eventually they were relegated to a shelf in someone's office, where they have collected dust and have been forgotten. Why?

Two primary reasons:

- the recommendations require adults to do things differently (change), and
- fiscal restraints.

Both are real challenges that can and will become stumbling blocks and eventually road blocks today if we do not address them from the get go. Today has to be different. We must take advantage of the opportunity before us.

The Task Force for Improving Education has developed 20 recommendations to improve Idaho's education system. These recommendations were published on September 6th. Some of these recommendations will create significant changes in the way we fund and operate Idaho's schools.

Taken together, they will fundamentally transform our education system for the better so every child can master the content and skills they need in K-12 education, graduate from high school and know they are prepared to succeed in the world that awaits them.

Surely this is what every parent, grandparent, student, teacher and policymaker wants for Idaho's kids. We have said we want 60% of Idaho's adult population to earn a certificate or degree by the year 2020. Right now, just 39% of Idaho's adults have a postsecondary degree or certificate. These recommendations will help us meet our goal of 60% and create a better economy and better future for every child.

I do not believe we need to spend any more time identifying the problem or challenges. We know what they are and have known for some time. For example, I showed you a moment ago the data that tells us that over 90% of our students are meeting our reading standards and over 80% are meeting our math standards, yet when they go on after high school almost 50% must take remedial courses. So we know our students are meeting or exceeding our standards while in our schools, but struggling once they go on to college or into the world that awaits them. Obviously, this data is telling us our standards in K-12 education have been too low. So we raised them.

Almost 2 years ago, the Legislature and State Board approved higher academic standards known as the Idaho Core Standards that are patterned after the Common Core State Standards. Many states, including Idaho, voluntarily adopted these new math and English standards that are higher and clearer and are comparable with any other country in the world.

Beginning this school year, all Idaho schools are using these new standards. The Task Force has endorsed the full implementation of these new higher standards.

But raising our academic standards is just one piece of transforming Idaho's public education system and making sure every student graduates from high school prepared for college, career and the workforce.

So how can this group, our task force, succeed where others have failed? As I said earlier, but it bears repeating: previous groups or task forces have come to the point we are at today. They identified the problem, and they came to consensus on solutions. Yet, none of those groups were ever able to agree on the next step, perhaps the most difficult step: implementation. I believe the first step in implementation is putting together a budget.

This year, I asked for 30 additional days in submitting my budget so I could include the recommendations of the Task Force. Let me be clear that these are my suggestions for what a budget should look like next year, based on the recommendations of the Task Force. We now have 90 days to discuss this proposal before the Legislature convenes. I welcome feedback and look forward to input from parents, educators and the business community. Education has been a topic of conversation over the past three years. Let's keep that conversation going.

I hope you will join in the conversation.

So let me discuss my budget proposal for Fiscal Year 2015 with you and how it aligns with the Task Force recommendations.

While this budget proposal only addresses one fiscal year, I believe it sets up a fiscally sound structure for funding the Task Force recommendations over multiple years.

We know the Task Force recommendations will cost approximately \$350 to \$400 million to implement over the next 6 years.

Governor Otter was correct when endorsing all the task force recommendations. He said, "We know we can't do this one year or even two or three years. But we can put ourselves on a course that we accomplish so much each year, and four or five years out we have accomplished the entire package."

If you read through the entire package of Task Force recommendations, you will see that not every recommendation will require additional funding.

Take for example the recommendation that the state shift to a system where students advance based upon content mastery, rather than seat time requirements.

What does this mean?

In our current system, the constant is time and the variable is learning. All students will be in a specific class for a specific amount of time. At the end of that specific time some will get an A, many will get a B and others a C or D, but all of them will move on.

In a mastery based system, the variable becomes time and the constant becomes learning. In a mastery-based system there is a body of knowledge and skills that a student must master before they move on. Some may master the material in a few weeks, others in several months, and still some may need a considerable amount of time. Regardless of the amount of time needed, all students master the content before moving on.

The Task Force has recommended we move to a mastery system in which the variable is time, and the constant is learning.

Over two years ago, school districts were given the flexibility to implement a mastery-based system, but the state's funding formula does not incentivize this type of a system.

Therefore, there are likely some structural changes we might need to make at the state level to further incentivize this, but this will not require additional funding.

This is just one example of a recommendation that would have a long-term positive impact on Idaho's schools, but would not have a fiscal impact.

Since these remarks focus on my budget proposal for next year, I will highlight the recommendations that have a fiscal impact. But let me just say that as we move toward identifying and solving the fiscal side of the recommendations, we can't lose focus on the other essential recommendations concerning autonomy and accountability. We must work in parallel paths and put just as much time, effort and emphasis on implementing the recommendations concerning autonomy and accountability as we do on the recommendations that have a fiscal impact.

Let me go over several recommendations that do require additional funding.

When the Task Force began its work, we divided it into three categories:

- Effective Teachers and Leaders
- Structural Change
- Fiscal Stability

The task force intentionally did not prioritize our recommendations. There was a good reason for this. We presented these recommendations as a comprehensive package. The full implementation of all recommendations is equally important and necessary to bringing about the systemic change needed. Ignore one or more of these recommendations and you may make things easier on adults, but you won't bring about the systemic change necessary to truly benefit students.

So while I address a number of the recommendations, please understand that the order is in no way an indication of priority.

Let me start by addressing Effective Teachers and Leaders:

Study after study proves what we all know inherently to be true. The most important factor in a child's academic success while they are in school is the quality of the teacher in the classroom.

Other factors can be important. Class size is important; stable funding is essential, high academic standards are key. Students must have access to good facilities and access to quality tools in the classroom like technology.

But even when all of these are taken into consideration, nothing comes close to the impact a highly effective teacher has on a student's academic success and the consequence of a student having an ineffective teacher for just one year.

For this reason, the Task Force focused heavily on not only attracting the best and the brightest into the teaching profession but also retaining the great teachers we already have.

For two years now in Idaho, a portion of a teacher's compensation and evaluation has been based on job performance and multiple measures of student achievement.

Building on these efforts, the Task Force has recommended a Career Ladder Compensation Model that combines competitive salaries with incentives, rewards, and accountability. This will completely move our state away from the stagnant, decades-old salary grid in which a teacher was paid based solely on the numbers of years they taught and the amount of education credits they earned.

This Career Ladder will be tied to a revised system of state licensure. The new system would have three tiers.

Teachers have the flexibility to move among the three tiers at any time based on certain criteria:

- experience,
- additional credentialing, and
- accountability based on job evaluations and performance, including student achievement.

Teachers can also earn additional compensation for fulfilling leadership responsibilities, such as developing curriculum, chairing collaboration teams, mentoring new teachers, and other responsibilities that the local school district would determine.

Under this Career Ladder, Idaho's teachers also will earn substantial increases in compensation.

Once fully implemented, starting salary will increase to \$40,000. The two other tiers in the Career Ladder will start at \$50,000 and \$60,000.

Through this Career Ladder, we will ensure we are not only paying effective teachers better but paying our teachers differently to keep Idaho's great teachers and attract more of the best and brightest where they can make the most difference for Idaho students.

These substantial increases in teacher pay will have a considerable fiscal impact. The task force has put a price tag on full implementation of the Career Ladder at approximately \$250 million over 6 years.

This year, I am asking the Legislature and Governor to fund \$42 million.

This will fund just the first year of implementation, but it is a major first step in transforming the way we pay teachers in Idaho so we as a state can attract and retain more of the best and the brightest in the profession.

Another area of focus was on Structural Change.

Making structural changes to Idaho's public education system are absolutely necessary for two reasons:

First, we have to make structural changes if we are going to prepare every student to graduate and go on to postsecondary education after high school. It is clear the current system we have in place today is not accomplishing that.

Second, in Idaho, every child has the right to the same educational opportunities every other student has access to, no matter where that child lives or goes to school. We cannot allow geography to become a barrier to a student's academic success.

For this reason, the Task Force recommendations focus on the proper implementation of technology to provide equal access and opportunity to all Idaho students.

Specifically, the Task Force calls for the state to make sure every public school has high-speed bandwidth and wireless connectivity, as well as technology devices for every educator and student in every school.

Today, the state has a great foundation with the Idaho Education Network (IEN). The IEN brought broadband intranet connectivity to every Idaho high school.

The Meridian School District has been a leader in utilizing the IEN to offer more educational opportunities to its students.

We are now working to expand that into middle schools and elementary schools.

The state is also working to create a wireless environment in every high school.

The next logical step is providing teachers and students access to the necessary educational content through computing devices, whether those devices be tablets, laptops, Chromebooks, Smartphones, or another device that hasn't even been thought of yet.

The school or district will decide the best device to meet their students' learning needs, as well as the digital content for that device. But most importantly, the state will have to support our schools if we are going to ensure every educator and every teacher has this access across the state.

To begin implementing these recommendations this year, I am asking the Governor and Legislature to continue their support of the Idaho Education Network and its efforts to expand into elementary and middle schools.

I am asking for continued support of our efforts to create wireless environments in all Idaho's high schools.

Until we can learn more concrete information from the 11 Technology Pilot Schools currently underway across the state, I am asking the Governor and Legislature to continue the funding that schools and districts currently use for classroom technology.

The structural committee also recommended that all Idaho students have access to advanced opportunities by expanding state funded offerings for students to earn college or professional technical credits while still in high school.

Senator Steve Thayn has been a leader in developing, sponsoring and successfully passing a number of bills that have expanded advanced opportunities for Idaho's students. The 8-in-6 program and advanced opportunities for early completers laws are just two examples.

Now, working with Senator Thayn, we are preparing legislation that will create the opportunity for all high school juniors and seniors to earn college credits or professional technical credits before graduating from high school. Specifically, the state will provide \$200 for every junior and \$400 for every senior to help cover the cost of taking dual credit or AP courses.

Fulfilling this task force recommendation will go a long way toward reaching our goals for Idaho's high school graduates to go on to postsecondary education.

The third focus point was Fiscal Stability.

As a Task Force, we agreed that going forward, if we truly were set on achieving our goals, we would need a more equitable and stable funding system for Idaho's public schools.

Since 2009, every budget – whether you are part of state government, private business, or an individual family – has taken a hit due to the great recession. Unfortunately, this affected Idaho's public schools as well. A major recommendation in this category was the restoration of operational funding to Idaho school districts. Operational funding is often referred to as "discretionary funds." This is funding school districts receive each year and have complete control over how it is spent.

Prior to the recession, districts received about \$25,700 per classroom of students in operational funding from the state. Now, after the recession, they receive about \$20,000 per classroom of students. Therefore, I am asking the Governor and Legislature to fund the first year of restoration of these funds, which will cost \$16.5 million in fiscal year 2015.

Now, I have just highlighted a few of the recommendations that the Task Force developed after months of work, largely the items that included large fiscal impacts. If you read through all the Task Force recommendations, you will see some were written at a very high level and require more work to define the specifics. These include recommendations, such as the Career Ladder or the Mastery-Based System I mentioned today.

To continue this work, my budget does include a request for funding to set up technical advisory committees so educational stakeholders can continue to meet and work out the details on how these recommendations will be implemented over time. One committee I specifically want to point out is the student advisory committee.

During our months of work as a Task Force, we realized several times that there was an important voice missing around the table: the voice of a student. As State Superintendent, I have the privilege of traveling across the state and visiting schools. I get into classrooms and talk to students and teachers. It's the best part of my job.

I am always keenly aware of the conversations I have with students, especially our high school-age students about our education system and how it can be improved. I learn a lot from them and often bring their ideas back to the Department to implement – especially when it comes to the proper use and implementation of technology. It is time to take their valuable and needed input to the next step. So we will use \$50,000 to establish a student advisory committee at the state level so students have a consistent way to provide input in our conversation on education going forward.

In total, the Task Force recommendations come to approximately \$350 million in additional funding for the state. The Task Force recommended the funding be phased in over the next 5 to 6 years, depending on the program. This will mean increases in funding for public schools each year over the next few years. These increases are not unprecedented. In really good years, Idaho schools have seen up to a 6% increase. Still, I understand it will not be easy. As a fiscal conservative, I realize as much as anyone that the budget is a real consideration.

Moving forward, how we fund these recommendations now and in the future must be a part of any serious conversation about education reform in Idaho. We have to break this cycle we have had for far too long in our state where we identify problems, develop solutions, yet we resist the change necessary to address the challenges we face. We must come to the realization that this is not about us, the adults. It is about the kids. Idaho's children deserve the best: the best teachers, the best standards, the best opportunities, the best access to the best technology, the best education. Idaho's children deserve the opportunity to live the American dream like you and I are living it today. A world-class education is more essential today than ever to make that dream a reality.

Together, we can make this a reality. It will take true leadership, short-term investments, and a long-term commitment to change. That is what I am asking for in the budget I have put forward today. This will not be easy. But it will be worth it. I hope you will join me in this conversation going forward so we can make it a reality.